

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF LOUISVILLE GAS	)	
AND ELECTRIC COMPANY FOR APPROVAL OF	)	CASE NO.
ITS 2004 COMPLIANCE PLAN FOR RECOVERY	)	2004-00421
BY ENVIRONMENTAL SURCHARGE	)	

O R D E R

On June 20, 2005, the Commission entered an Order in this matter approving the recovery of the costs of new and additional pollution control facilities through the environmental surcharge mechanism. On June 29, 2005, Louisville Gas and Electric Company (“LG&E”) filed a motion to reconsider and amend that Order to allow it to recover, through its environmental surcharge, the operations and maintenance (“O&M”) expenses associated with Project 16, the Trimble County Unit 1 Flue Gas Desulfurization unit (“scrubber”) modifications.

In support of its motion, LG&E states that it requested recovery of the O&M expenses associated with Project 16 in pre-filed direct testimony, responses to data requests, and in its post-hearing brief. LG&E notes that the Commission approved all of the projects in the 2004 Compliance Plan and specifically approved the monthly surcharge reporting formats which included a new form to track scrubber O&M expenses. However, the Commission’s June 20, 2005 Order stated that LG&E did not seek environmental surcharge recovery of any incremental O&M expenses associated with the 2005 Plan.<sup>1</sup>

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<sup>1</sup> June 20, 2005 Order at 13.

The Commission has reviewed the record in this case. The citations provided by LG&E show that it did request recovery of the O&M expenses associated with Project 16. At no time during this proceeding has any party objected to LG&E's request to recover these expenses, nor has any party filed comments to LG&E's motion for reconsideration. Therefore, the Commission finds that LG&E's request to amend the June 20, 2005 Order to include the recovery of O&M expenses associated with Project 16 should be granted.

IT IS THEREFORE ORDERED that:

1. The June 20, 2005 Order is amended to include recovery of the O&M expenses associated with Project 16.
2. All other provisions of the June 20, 2005 Order remain in effect.

Done at Frankfort, Kentucky, this 19<sup>th</sup> day of July, 2005.

By the Commission

ATTEST:



Executive Director